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MEASURE E - IMPARTIAL ANALYSIS**Summary**

If approved by voters, Measure E would repeal Chapter 2.59 of the Chula Vista Municipal Code. Chapter 2.59 generally prohibits the City from entering into or funding contracts for public works that require one or more provisions commonly associated with “project labor agreements” (“PLAs”). Repealing Chapter 2.59 would eliminate possible inconsistencies between City laws, and state laws that generally operate to disqualify cities with anti-PLA laws from receiving state funding for local infrastructure projects. Measure E would require City Council consideration of policies to replace Chapter 2.59 with policies allowing the City to use PLAs for City public works in a manner consistent with state laws and City-established “best practices.” Measure E was placed on the ballot by the Chula Vista City Council.

Existing City Laws Regarding PLAs

Chapter 2.59 was approved by Chula Vista voters in 2010. It generally prohibits the City from entering into or funding contracts for public works that require any party to: (1) be governed by an agreement with a labor organization; (2) sign a collective bargaining agreement; (3) make payments for employees to union benefit plans; (4) require employee representation by a labor organization; or (5) encourage or discourage employee representation by a labor organization.

The contractual provisions prohibited by Chapter 2.59 are commonly associated with PLAs. PLAs are, essentially, pre-hire agreements between construction contractors and labor organizations containing the terms and conditions of employment for construction projects. In exchange for negotiated benefits, involved labor organizations typically agree not to disrupt or delay project completion.

State Laws Regarding PLAs

State laws SB 922, enacted in 2011, and SB 829, enacted in 2012, [(collectively, the “State PLA Laws,” (California Public Contract Code Sections 2500 through 2503)] govern the use of PLAs on public works throughout California. The State PLA Law, generally: (1) authorizes cities to enter into PLAs for public works, so long as such agreements specify certain taxpayer protections; and (2) disqualifies cities which prohibit or limit the ability to use PLAs on city public works from receiving state funding for city infrastructure projects. Because Chapter 2.59 generally prohibits the City’s use of PLAs for public works, the application of the State PLA Law in Chula Vista potentially jeopardizes the City’s ability to receive state funding for local infrastructure.

Effect of Repeal

The City has taken the position that certain provisions of Chapter 2.59 allow the City to remain in “good standing” under the State PLA Law. Legal ambiguities remain, however. Measure E’s repeal of Chapter 2.59 would remove such ambiguities and assure that the City would continue to qualify for state funding for infrastructure projects consistent with the requirements of the State PLA Law.

Proposed Replacement Provisions

Measure E would require the City Council to, within 180 days, consider and act upon policies and procedures that would allow the City to use PLAs for public works. The policies must include all the taxpayer protection provisions contained in the State PLA Law, be consistent with state law, and contain provisions for transparency, accountability, and “best practices.” Until such policies and procedures are adopted, the City must comply with the State PLA Law.